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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

)	Chapter 11
In re:)	
)	Case No. 05-44481 (RDD)
DELPHI CORPORATION, <i>et al.</i> ,)	
)	(Jointly Administered)
Debtors.)	
)	

**OBJECTION OF SOJITZ CORPORATION OF AMERICA
TO MOTION FOR AN ORDER UNDER 11 U.S.C. §§ 363(b) AND 365(a)
AND FED. R. BANKR. P. 9019 ESTABLISHING PROCEDURES
FOR THE ASSUMPTION OF EXECUTORY CONTRACTS**

Sojitz Corporation of America (“Sojitz”), a creditor in these cases, by and through its undersigned counsel, hereby files this objection (the “Objection”) to the motion, dated November 18, 2005, of the above-captioned debtors (collectively, the “Debtors”) for an order under 11 U.S.C. §§ 363(b) and 365(a) establishing procedures to assume certain amended and restated sole source supplier agreements (the “Motion”). In support of its Objection, Sojitz respectfully state as follows:

BACKGROUND

1. On October 8, 2005 (the “Petition Date”), each of the above-captioned Debtors filed a voluntary petition for relief under the Bankruptcy Code. Since the Petition Date, the Debtors have operated their businesses as debtors-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

2. Sojitz sells minerals used in the operation of the Debtors' manufacturing process (the "Sojitz Goods") pursuant to the terms of a supplier agreement which will expire in December 2005 (the "Sojitz Contract"). Sojitz may be deemed, by the Debtors, to be a Critical Supplier (as defined in the Motion).

3. On November 18, 2005, the Debtors filed the Motion seeking authorization to approve certain procedures (collectively, the "Assumption Procedures") related to the assumption of certain executory contracts which the Debtors deem critical to their operations and which would otherwise expire by their respective terms. Among other things, the Debtors seek authorization: (i) to extend the expiration date of certain executory contracts for a period of up to two (2) years, regardless of the terms of the underlying contract; (ii) to limit the cure payment to seventy-five percent (75%) of a vendor's cure claim (the "Cure Claim"); (iii) to pay the Cure Claim over one and one-half (1 ½) years; (iv) to fix prices under the applicable contract at the current pricing rates; and, (v) require vendors to waive the right to seek additional adequate assurance of future performance.

GROUND FOR OBJECTION

4. Sojitz objects to the establishment and implementation of the Assumption Procedures which negatively impact Sojitz's rights and remedies, and are in violation of the express protections provided for creditors under section 365 of the Bankruptcy Code. The relief sought by the Debtors is arbitrary and provides, among other things, the Debtors with (i) authority to extend the term of the Sojitz Contract for up to two-years, without Sojitz's consent and/or further court approval, (ii) with unbridled discretion to unilaterally revise the terms of the Sojitz Contract without further court approval and without the consent of Sojitz, and (iii) the ability to assume the Sojitz Contract without providing Sojitz with the protections extended to creditors under section 365 of the Bankruptcy Code.

5. Although the Debtors have authority to assume a contract under section 365 of the Bankruptcy Code, such assumption cannot be performed in a vacuum. The Bankruptcy Code mandates certain minimum requirements that must be satisfied prior to any such assumption, and the Debtors must not be allowed to circumvent the statutory requirements of the Bankruptcy Code.

6. At the minimum, the Sojitz Contract can only be assumed in accordance with the requirements under section 365 of the Bankruptcy Code. These include, without limitation, (i) extending the term of the Sojitz Contract with the consent of Sojitz, (ii) modifying the other terms (pricing etc.) of the Sojitz Contract which are agreed to by both parties, (iii) assuming the Sojitz Contract pursuant to the terms of a separate motion filed with the bankruptcy court, (iii) promptly paying Sojitz' Cure Claim at the time of assumption, and (iv) paying Sojitz' Cure Claim in full.

WHEREFORE, Sojitz respectfully requests that the Court (i) deny the Motion as set forth herein, and (ii) grant such other and further relief this Court deems just and proper.

Dated: New York, New York
November 28, 2005

KELLEY DRYE & WARREN LLP

By: /s/ James S. Carr
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CERTIFICATE OF SERVICE

On November 28, I caused to be served the *OBJECTION OF SOJITZ CORPORATION OF AMERICA TO MOTION FOR AN ORDER UNDER 11 U.S.C. §§ 363(b) AND 365(a) AND FED. R. BANKR. P. 9019 ESTABLISHING PROCEDURES FOR THE ASSUMPTION OF EXECUTORY CONTRACTS* to those parties listed on the annexed schedule. Service was made as indicated.

/s/Debra SuDock
Debra SuDock

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